

BUDGET AND FINANCE COMMITTEE REPORT relative to the City Council's proactive decision-making role for the COVID-19 Emergency Fund and use of funds from the Unappropriated Balance for the COVID-19 Emergency Response.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. TRANSFER \$15 million from the Unappropriated Balance, Fund No. 100/58, Account No. 580350, COVID-19 Emergency Response to the General City Purposes, Fund No. 100/56, Account No. 000955, COVID-19 Emergency Response, to fund the costs of testing, vaccination and Federal Emergency Management Agency (FEMA) reimbursement support.
2. TRANSFER \$1.2 million from the Unappropriated Balance, Fund No. 100/58, Account No. 580350, COVID-19 Emergency Response, to the Office of the City Administrative Officer, Fund No. 100/10, Account No. 003040, Contractual Services, for the contract with KPMG in support of the U.S. Department of Treasury's reporting requirements pursuant to the American Rescue Plan Act.
3. APPROVE the following three spending categories for the COVID-19 Emergency Fund:
 - a. Testing
 - b. Vaccination
 - c. FEMA Reimbursement Support
4. INSTRUCT the City Administrative Officer (CAO) that any use of the funds in the COVID-19 Emergency Fund for purposes other than the approved priorities be submitted to the City Council for approval.

Fiscal Impact Statement: The CAO reports that the approval of the recommendations above will have no impact on the General Fund as it recommends transferring funds from the Unappropriated Balance to the COVID-19 Emergency Fund as budgeted.

Financial Policies Statement: The CAO reports that the approval of the recommendation in this report is in compliance with the City's Financial Policies as budgeted one-time funds are being used for one-time purposes.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on October 25, 2021, the Budget and Finance Committee considered the CAO report dated October 12, 2021, attached to the Council file, relative to the City Council's proactive decision-making role for the COVID-19 Emergency Fund and use of funds from the Unappropriated Balance for the COVID-19 Emergency Response.

A representative from the Office of the CAO provided the Committee with an overview of the report and responded to questions posed by the Committee members. After an opportunity for public comment was held, the Committee moved to approve the CAO recommendations as amended in Committee to reduce the transfer amount in recommendation number one from \$24.8 million to \$15 million, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KREKORIAN	YES
BLUMENFIELD	YES
DE LEON	YES
RODRIGUEZ	ABSENT
PRICE	YES

AS 10/25/21
COUNCIL FILE NO. 21-0600-S2

-NOT OFFICIAL UNTIL COUNCIL ACTS-